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#### DEPARTMENT OF COMMERCE

International Trade Administration

A-570-904

Certain Activated Carbon from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2012-2013

AGENCY: Enforcement and Compliance, International Trade Administration, Department of

Commerce.

SUMMARY: The Department of Commerce ("Department") published its <u>Preliminary Results</u> of the sixth antidumping duty administrative review on certain activated carbon from the People's Republic of China ("PRC") on May 22, 2014, in which we gave interested parties an opportunity to comment on the <u>Preliminary Results</u>. Based upon our analysis of the comments received, we made changes to the margin calculations for these final results of the antidumping duty administrative review. The final weighted-average dumping margins are listed below in the "Final Results of the Review" section of this notice. The period of review ("POR") is April 1, 2012, through March 31, 2013.

EFFECTIVE DATE: (Insert date of publication in the Federal Register).

FOR FURTHER INFORMATION CONTACT: Bob Palmer, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, D.C. 20230; telephone: (202) 482-9068.

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<sup>&</sup>lt;sup>1</sup> <u>See Certain Activated Carbon From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2012-2013</u>, 79 FR 29419 (May 22, 2014), and accompanying Preliminary Decision Memorandum ("Preliminary Results").

#### SUPPLEMENTARY INFORMATION:

# **Background**

The Department published the <u>Preliminary Results</u> on May 22, 2014.<sup>2</sup> In accordance with 19 CFR 351.309(c)(1)(ii), we invited parties to comment on our <u>Preliminary Results</u>.<sup>3</sup> On June 19, 2014, the Department fully extended the time limit for completion of the final results of this administrative review.<sup>4</sup> The Department extended the deadlines for submission of case and rebuttal briefs twice based on requests from interested parties.<sup>5</sup> On July 3, 2014, Albemarle,<sup>6</sup> Calgon,<sup>7</sup> Carbon Activated,<sup>8</sup> Cherishmet,<sup>9</sup> Huahui<sup>10</sup> and Jacobi<sup>11</sup> submitted case briefs.<sup>12</sup> On July 18, 2014, Petitioners<sup>13</sup> and Albemarle submitted rebuttal briefs.<sup>14</sup> On July 29, 2014, pursuant to 19 CFR 351.302(d), we rejected Jacobi's case brief because it contained untimely new factual information, and instructed Jacobi to resubmit a redacted case brief, which it submitted on July 30, 2014. On September 24, 2014, the Department held a public hearing limited to issues raised in case and rebuttal briefs.

<sup>&</sup>lt;sup>2</sup> See id.

 $<sup>\</sup>frac{1}{\text{See}}$  id. at 29420.

<sup>&</sup>lt;sup>4</sup> See Memorandum to Christian Marsh, Deputy Assistant Secretary, Antidumping and Countervailing Duty Operations, through James Doyle, Director, Office V, Antidumping and Countervailing Duty Operations, from Bob Palmer, International Trade Compliance Analyst, Office V, Antidumping and Countervailing Duty Operations: Certain Activated Carbon from the People's Republic of China ("PRC"): Extension of Deadline for Final Results of Antidumping Duty Administrative Review, dated June 19, 2014.

<sup>&</sup>lt;sup>5</sup> <u>See</u> Memorandum to the File, from Frances Veith, Senior International Trade Compliance Analyst, Enforcement and Compliance, dated June 11, 2014; <u>see also</u> Memorandum to the File, from Frances Veith, Senior International Trade Compliance Analyst, Enforcement and Compliance, dated June 13, 2014 and Memorandum to the File, from Bob Palmer, Senior International Trade Compliance Analyst, Enforcement and Compliance, dated July 9, 2014.

<sup>6</sup> Albemarle Corporation ("Albemarle").

<sup>&</sup>lt;sup>7</sup> Calgon Carbon Corporation and Calgon Carbon (Tianjin) Co., Ltd. (collectively, "Calgon").

<sup>&</sup>lt;sup>8</sup> Carbon Activated Corporation ("Carbon Activated").

<sup>&</sup>lt;sup>9</sup> Ningxia Guanghua Cherishmet Activated Carbon Co., Ltd. ("Cherishmet").

<sup>&</sup>lt;sup>10</sup> Ningxia Huahui Activated Carbon Co., Ltd. ("Huahui").

<sup>&</sup>lt;sup>11</sup> Jacobi Carbons AB ("Jacobi").

<sup>&</sup>lt;sup>12</sup> On July 3, 2014, M.L. Ball Co., Inc, Nichem Co., and Datong Juqiang Activated Carbon Company, Ltd. submitted a letter supporting arguments made by the Chinese respondents. <u>See</u> Letter from ML Ball, Nichem, and Datong, dated July 3, 2014.

<sup>&</sup>lt;sup>13</sup> Calgon Carbon Corporation and Cabot Norit Americas, Inc. (collectively, "Petitioners").

<sup>&</sup>lt;sup>14</sup> See Petitioners' Rebuttal Brief, dated July 18, 2014; see also Albemarle's Rebuttal Brief, dated July 18, 2014.

# Scope of the Order

The merchandise subject to the <u>Order</u> is certain activated carbon.<sup>15</sup> The products are currently classifiable under the Harmonized Tariff Schedule of the United States ("HTSUS") subheading 3802.1000. Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope of the order remains dispositive.<sup>16</sup> Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties are addressed in the Issues & Decision Memo. A list of the issues which parties raised is attached to this notice as an Appendix. The Issues & Decision Memo is a public document and is on file in the Central Records Unit ("CRU"), Room 7046 of the main Department of Commerce building, as well as electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS"). IA ACCESS is available to registered users at <a href="http://iaaccess.trade.gov">http://iaaccess.trade.gov</a> and it is available to all parties in the CRU. In addition, a complete version of the Issues & Decision Memo can be accessed directly on the internet at <a href="http://enforcement.trade.gov/frn/index.html">http://enforcement.trade.gov/frn/index.html</a>. The signed Issues & Decision Memo and the electronic version of the Issues & Decision Memo are identical in content.

# Changes Since the Preliminary Results

Based on our review of the record and comments received from interested parties regarding our <u>Preliminary Results</u>, we have made certain revisions to the margin calculations for

<sup>&</sup>lt;sup>15</sup> <u>See</u> Certain Activated Carbon from the People's Republic of China: Issues and Decision Memorandum for the Final Results of the Fifth Antidumping Duty Administrative Review," ("Issues & Decision Memo") dated concurrently with and hereby adopted by this notice, for a complete description of the Scope of the <u>Order</u>.

<sup>16</sup> <u>See Notice of Antidumping Duty Order: Certain Activated Carbon from the People's Republic of China</u>, 72 FR 20988 (April 27, 2007) ("<u>Order</u>").

Jacobi, Cherishmet, and the non-examined, separate rate respondents.<sup>17</sup> Further, the Surrogate Values Memo<sup>18</sup> contains descriptions of our changes to the surrogate values.

# Final Determination of No Shipments

In the <u>Preliminary Results</u>, the Department preliminarily determined that Sinocarbon International Trading Co., Ltd. ("Sinocarbon") did not have any reviewable transactions during the POR. We have not received any information to contradict this determination. Therefore, the Department made the final determination that Sinocarbon did not have any reviewable entries of subject merchandise during the POR, and will issue appropriate instructions that are consistent with our "automatic assessment" clarification, for these final results.

# Separate Rate Respondents

In our <u>Preliminary Results</u>, we determined that the following companies met the criteria for separate rate status: Jacobi; Cherishmet; Huahui; Calgon Carbon (Tianjin) Co., Ltd.; Datong Juqiang Activated Carbon Co., Ltd.; Datong Municipal Yunguang Activated Carbon Co., Ltd.; Jilin Bright Future Chemicals Company, Ltd.; Ningxia Mineral and Chemical Limited; Shanxi Sincere Industrial Co., Ltd.; Tianjin Channel Filters Co., Ltd.<sup>19</sup> We have received no comments or argument since the issuance of the <u>Preliminary Results</u> that provides a basis for reconsideration of these determinations. Therefore, the Department continues to find that the companies listed above meet the criteria for a separate rate.

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<sup>&</sup>lt;sup>17</sup> <u>See</u> Issues & Decision Memo and the company-specific analysis memoranda for further explanation regarding these changes.

<sup>&</sup>lt;sup>18</sup> <u>See</u> Memorandum to the File, through Catherine Bertrand, Program Manager, Office V, from Bob Palmer, Case Analyst, Office V, Certain Activated Carbon from the People's Republic of China ("PRC"): Surrogate Values for the Final Results," dated concurrently with this notice ("Surrogate Values Memo").

<sup>&</sup>lt;sup>19</sup> See Preliminary Results, 79 FR at 29420; Preliminary Decision Memorandum at 9-11.

# Rate for Non-Examined Separate Rate Respondents

In the <u>Preliminary Results</u>, <sup>20</sup> and consistent with the Department's practice, <sup>21</sup> we assigned the non-examined, separate rate companies a rate calculated using the ranged total U.S. sales quantities from the public version of the submissions from the individually-examined respondents with weighted-average dumping margins that are not zero or <u>de minimis</u> (i.e., less than 0.5 percent)<sup>22</sup> from the public versions of their submissions.<sup>23</sup> No parties have commented on the methodology for calculating this separate rate. For the final results, we continue to find this approach to be consistent with the intent of section 735(c)(5)(A) of the Act and our use of section 735(c)(5)(A) of the Act as guidance when we establish the rate for separate rate respondents not examined individually in an administrative review.<sup>24</sup>

Because the calculated net U.S. sales values for the individually-examined respondents with weighted-average dumping margins that are not zero or <u>de minimis</u> are business-proprietary figures, we find that \$0.04 U.S. Dollars/kilogram ("USD/kg"), which we calculated using the publicly available figures of U.S. sales quantities for these firms, is the best reasonable proxy for the weighted-average dumping margin based on the calculated U.S. sales quantities of these respondents.<sup>25</sup>

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<sup>&</sup>lt;sup>20</sup> See Preliminary Decision Memorandum at 11-12.

<sup>&</sup>lt;sup>21</sup> See Certain Frozen Warmwater Shrimp From the Socialist Republic of Vietnam: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review, 76 FR 56158, 56160 (September 12, 2011) ("Vietnam Shrimp").

<sup>22</sup> See Looshi's public rescises of the second of the

<sup>&</sup>lt;sup>22</sup> <u>See</u> Jacobi's public version of its supplemental Section A questionnaire response, dated August 21, 2013, at Exhibit A-1; <u>see also</u> Cherishmet's public version of its supplemental Section A questionnaire response, dated August 30, 2013, at Exhibit SA-1.

<sup>&</sup>lt;sup>23</sup> <u>See</u> <u>id</u>.

<sup>&</sup>lt;sup>24</sup> See Vietnam Shrimp, 76 FR at 56160.

<sup>&</sup>lt;sup>25</sup> See Memorandum to the File from Bob Palmer, Case Analyst, Office V, AD/CVD Operations, Re: Calculation of Separate Rate, dated concurrently with this notice.

## PRC-Wide Entity

In the Preliminary Results, the Department determined that those companies that did not demonstrate eligibility for a separate rate are properly considered part of the PRC-wide entity.<sup>26</sup> Since the Preliminary Results, we received no comments regarding these findings. Therefore, we continue to treat these entities as part of the PRC-wide entity.

## Rate for the PRC-Wide Entity

The Department used the rate of 2.42 USD/kg in the most recent completed administrative review of this antidumping order for the PRC-wide entity.<sup>27</sup> Because nothing on the record of the instant review calls into question the reliability of this rate, we find it appropriate to continue to apply the rate of 2.42 USD/kg to the PRC-wide entity for these final results.<sup>28</sup>

### Final Results of the Review

The weighted-average dumping margins for this POR are as follows:

Exporter	Margin (Dollars Per Kilogram) <sup>29</sup>
Jacobi Carbons AB <sup>30</sup>	0.04

<sup>&</sup>lt;sup>26</sup> The PRC-wide entity includes Shanxi DMD Corporation and Tangshan Solid Carbon Co., Ltd. See Preliminary Results, 79 FR at 29420 n.5; see also Preliminary Decision Memorandum at 12-13.

See Certain Activated Carbon From the People's Republic of China: Final Results of Antidumping Duty <u>Administrative Review; 2011–2012</u>, 78 FR 70533, 70535 (November 26, 2013) ("<u>AR5 Carbon</u>"). <sup>28</sup> <u>See, e.g., id.</u>

<sup>&</sup>lt;sup>29</sup> In the second administrative review of the Order, the Department determined that it would calculate per-unit assessment and cash deposit rates for all future reviews. See Certain Activated Carbon From the People's Republic of China: Final Results and Partial Rescission of Second Antidumping Duty Administrative Review, 75 FR 70208, 70211 (November 17, 2010).

<sup>&</sup>lt;sup>30</sup> In the third administrative review, the Department found Jacobi, Tianjin Jacobi International Trading Co. Ltd., and Jacobi Carbons Industry (Tianjin) are a single entity and, because there were no changes to the facts which supported that decision, we continued to find these companies part of a single entity in the fourth and fifth administrative reviews. Because there have been no changes to the facts that supported that decision in the present review, we are continuing to treat the companies as a single entity in this review. See Certain Activated Carbon From the People's Republic of China: Final Results and Partial Rescission of Third Antidumping Duty Administrative Review, 76 FR 67142, 67145 n.25 (October 31, 2011); see also Certain Activated Carbon From the People's Republic of China; 2010-2011; Final Results of Antidumping Duty Administrative Review, 77 FR 67337, 67338 n.22 (November 9, 2012); AR5 Carbon, 78 FR at 70535 n.32.

Ningxia Guanghua Cherishmet Activated Carbon Co., Ltd. <sup>31</sup>	0.04
Calgon Carbon (Tianjin) Co., Ltd.	0.04
Datong Juqiang Activated Carbon Co., Ltd.	0.04
Datong Municipal Yunguang Activated Carbon Co., Ltd.	0.04
Jilin Bright Future Chemicals Company, Ltd.	0.04
Ningxia Huahui Activated Carbon Co., Ltd.	0.04
Ningxia Mineral and Chemical Limited	0.04
Shanxi Sincere Industrial Co., Ltd.	0.04
Tianjin Channel Filters Co., Ltd.	0.04
PRC-Wide Rate <sup>32</sup>	2.42

# Assessment Rates

Pursuant to 19 CFR 351.212(b), the Department has determined, and U.S Customs and Border Protection ("CBP") shall assess, antidumping duties on all appropriate entries covered by this review. The Department intends to issue assessment instructions to CBP 15 days after the publication date of these final results of this review. In accordance with 19 CFR 351.212(b)(1), we are calculating importer- (or customer-) specific assessment rates for the merchandise subject to this review. As the Department stated in the most recent administrative review, <sup>33</sup> we will

<sup>&</sup>lt;sup>31</sup> In the first administrative review, the Department found Beijing Pacific Activated Carbon Products Co., Ltd., Ningxia Guanghua Cherishmet Activated Carbon Co., Ltd., and Ningxia Guanghua Activated Carbon Co., Ltd. are a single entity and, because there were no changes to the facts which supported that decision, we continued to find these companies to be part of a single entity in subsequent reviews. Because there have been no changes to the facts that supported that decision in the present review, we are continuing to treat the companies as a single entity in this review. See Certain Activated Carbon From the People's Republic of China: Notice of Preliminary Results of the Antidumping Duty Administrative Review and Extension of Time Limits for the Final Results, 74 FR 21317, 21319 (May 7, 2009), unchanged in First Administrative Review of Certain Activated Carbon from the People's Republic of China: Final Results of Antidumping Duty Administrative Review, 74 FR 57995, 57998 (November 10, 2009); AR5 Carbon, 78 FR at 70535 n.33.

The PRC-wide entity includes the Shanxi DMD Corporation and Tangshan Solid Carbon Co., Ltd.

<sup>&</sup>lt;sup>33</sup> See AR5 Carbon, 78 FR at 70535.

continue to direct CBP to assess importer-specific assessment rates based on the resulting perunit (i.e., per-kilogram) rates by the weight in kilograms of each entry of the subject merchandise during the POR. Specifically, we calculated importer-specific duty assessment rates on a perunit rate basis by dividing the total amount of dumping for each importer by the total sales quantity of subject merchandise sold to that importer during the POR. For any individually examined respondent whose weighted-average dumping margin is above de minimis (i.e., 0.50 percent), the Department will calculate importer-specific assessment rates on the basis of the ratio of the total amount of dumping calculated for the importer's examined sales and the total entered value of sales. We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review when the importer-specific assessment rate is above de minimis. Where either the respondent's weighted-average dumping margin is zero or de minimis, or an importer-specific assessment rate is zero or de minimis, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

The Department announced a refinement to its assessment practice in NME cases.

Pursuant to this refinement in practice, for entries that were not reported in the U.S. sales databases submitted by companies individually examined during this review, the Department will instruct CBP to liquidate such entries at the NME-wide rate. In addition, if the Department determines that an exporter under review had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (<u>i.e.</u>, at that exporter's rate) will be liquidated at the NME-wide rate.<sup>35</sup>

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<sup>&</sup>lt;sup>34</sup> <u>See Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification</u>, 77 FR 8101 (February 14, 2012).

<sup>&</sup>lt;sup>35</sup> For a full discussion of this practice, see <u>Non-Market Economy Antidumping Proceedings</u>: <u>Assessment of Antidumping Duties</u>, 76 FR 65694 (October 24, 2011).

## Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) For Jacobi, Cherishmet and the non-examined, separate rate respondents, the cash deposit rate will be equal to their weighted-average dumping margins established in the final results of this review, except if the rate is zero or de minimis, then no cash deposit will be required; (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recently completed segment of this proceeding; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be equal to the weighted-average dumping margin for the PRC-wide entity established in the final results of this review; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporters that supplied that non-PRC exporter. These cash deposit requirements, when imposed, shall remain in effect until further notice.

### Disclosure

We intend to disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b). Notification to Importers Regarding the Reimbursement of Duties

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement

could result in the Department's presumption that reimbursement of antidumping duties has occurred and the subsequent assessment of double antidumping duties.

# Notification Regarding Administrative Protective Order

This notice also serves as a reminder to parties subject to administrative protective order ("APO") of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

We are issuing and publishing these final results of administrative review and notice in accordance with sections 751(a)(1) and 777(i) of the Act.

Dated: November 18, 2014.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

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## Appendix – Issues & Decision Memorandum

#### **General Issues**

Comment 1: Whether Albemarle Corporation is a Domestic Interested Party

Comment 2: Differential Pricing

- A. Withdrawal of the Targeted Dumping Regulation
- B. Application of the Differential Pricing Analysis
- C. Explanation of the Differential Pricing Analysis

Comment 3: Whether Separate Rate Respondents Should Receive Zero or <u>De Minimis</u> Margins

# **Surrogate Values**

Comment 4: Anthracite Coal Surrogate Value

Comment 5: Surrogate Financial Statement Selection

- A. Related Party Transactions
- B. Whether the Financial Ratios of BF Industries are Outliers
- C. Whether BF Industries Financial Statements Demonstrated Benefits Received from Countervailable Subsidies
- D. Whether to Reject Financial Statements with Non-Interest Bearing Loans

Comment 6: Surrogate Financial Ratio Calculation

- A. Calculation of Premium AC's Surrogate Financial Ratios
- B. Calculation of Mapecon's Surrogate Financial Ratios
- C. Categorization of Bank Charges for Premium AC and Davao
- D. Categorization of Insurance Expenses for Davao and Philips Carbon
- E. Categorization of Travel and Transport Expenses For Davao
- F. Labor in Financial Ratios

Comment 7: ILO 6A Labor Calculation

Comment 8: Electricity Comment 9: Water Comment 10: Coal Tar

Comment 11: Carbonized Materials

Comment 12: Brokerage and Handling Denominator

# **Company Specific Issues**

Comment 13: Jacobi's Packing Calculation

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